## Before the **FEDERAL COMMUNICATIONS COMMISSION**

Washington, DC 20554

In the Matter of	)	
	)	
Office of Engineering and Technology	)	ET Docket No. 17-215
Announces TAC Technical Inquiry Into	)	
Reforming Technical Regulations	)	
-	)	

## COMMENTS OF THE CONSUMER TECHNOLOGY ASSOCIATION

Julie M. Kearney
Vice President, Regulatory Affairs
Brian Markwalter
Senior Vice President, Research and Standards
Rachel S. Nemeth
Director, Regulatory Affairs

Consumer Technology Association 1919 S. Eads Street Arlington, VA 22202 (703) 907-7644

### TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
I. Introduction	2
II. Modernized Pre-Authorization Marketing and Operating Rules Will Support Innovation Without Hurting Consumers	4
III. Many of the Commission's Technical Rules are Outdated and Do Not Reflect Modern Arrangements Among Companies in Domestic and International Manufacturing Chains	7
IV. The Commission Should Further Expand Opportunities for Self-Certification, Particularly for Devices with Power Levels Low Enough to Avoid Harm	8
V. The Treatment of Confidential Exhibits in the Certification Process is Ripe for Change	9
VI. There is Room to Further Streamline <i>Pro Forma</i> License Transfers	9
VII. Modernizing the Experimental Licensing System Will Improve the Experimental Licensing Program	10
VIII. The TAC Should Underscore to the Commission the Value of Multi-Stakeholder Groups to Improve Processes and Leverage Industry Input	11
IX. Examining the Commission's Requirements for Physical Paper Filings, Records Retention, and Notices Could Remove Regulatory Underbrush	13
X. Conclusion	14

#### **EXECUTIVE SUMMARY**

CTA applauds the Commission for requesting the TAC's input to help identify technical rules that are obsolete or ripe for change in light of current communications technologies. As developers and strong supporters of innovative and disruptive technologies, CTA's members deeply appreciate the Commission's many ongoing efforts to promote and facilitate deployment of new products and services. Because CTA's members are at the forefront of deploying current communications technologies and developing new ones, these companies are well suited to identify rules that are outdated, inhibit innovation, or create unreasonable burdens, as well as ways to make the regulatory process more efficient and timely. CTA and its members also have substantial experience with standards-setting, working groups, and multi-stakeholder efforts.

Overall, the TAC and the Commission should focus on balancing the need for manufacturers to have flexibility to innovate and achieve speed to market against the potential for actual harm. The Commission can continue to protect consumers consistent with the purposes of the FCC's rules, while also ensuring that consumers have timely access to new technologies, particularly to "smart" connected technologies that comprise the Internet of Things ("IoT"). Given rapid and explosive growth, old timetables and burdens are inappropriate for today's devices and components. Both consumers and the U.S. economy benefit when innovative new products can reach the market more quickly and with fewer regulatory obstacles.

CTA fully supports the September 2017 recommendations of the TAC Working Group on Removing Obsolete or Unnecessary Technical Rules. In particular, the TAC should recommend that the Commission:

- Modernize rules regarding marketing and operation of RF devices prior to authorization, which will support innovation without hurting consumers;
- Reform the rules to reflect modern arrangements among companies in domestic and international manufacturing chains;
- Expand opportunities for self-certification, including for devices operating at power levels low enough to avoid harm;
- Streamline the treatment of confidential exhibits in the certification process;
- Further streamline *pro forma* license transfers;
- Modernize the Experimental Licensing System and make it more user-friendly;
- Increase the use of multi-stakeholder groups to improve processes and leverage industry input; and
- Examine in the Commission's physical paper filings, records retention, and notices requirements to remove regulatory underbrush.

The Commission has an important opportunity to take action now in ways that will facilitate growth of the IoT and sustain U.S. global leadership in technology. There is no consumer downside to moving forward with these changes as expeditiously as possible.

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)	
	)	
Office of Engineering and Technology	)	ET Docket No. 17-215
Announces TAC Technical Inquiry Into	)	
Reforming Technical Regulations	)	
-	)	

## COMMENTS OF THE CONSUMER TECHNOLOGY ASSOCIATION

The Consumer Technology Association ("CTA")<sup>1</sup> respectfully submits these comments in response to the above-referenced Public Notice seeking comment on obsolete and other technical regulations ripe for reform and modernization.<sup>2</sup> CTA applauds the Commission for requesting input from the Technological Advisory Council ("TAC") to help identify technical rules that are obsolete or ripe for change in light of current communications technologies. As developers and strong supporters of innovative and disruptive technologies, CTA's members deeply appreciate the Commission's many ongoing efforts to promote and facilitate deployment of new products and services. CTA is proud to participate on the TAC, and CTA and numerous CTA members have already provided feedback on these issues to the TAC.

<sup>&</sup>lt;sup>1</sup> The Consumer Technology Association ("CTA")<sup>TM</sup> is the trade association representing the \$292 billion U.S. consumer technology industry, which supports more than 15 million U.S. jobs. More than 2,200 companies − 80 percent are small businesses and startups; others are among the world's best known brands − enjoy the benefits of CTA membership including policy advocacy, market research, technical education, industry promotion, standards development and the fostering of business and strategic relationships. CTA also owns and produces CES<sup>®</sup> − the

world's gathering place for all who thrive on the business of consumer technologies. Profits from CES are reinvested into CTA's industry services.

<sup>&</sup>lt;sup>2</sup> Office of Engineering and Technology Announces Technological Advisory Council (TAC) Technical Inquiry into Reforming Technical Regulations, Public Notice, 32 FCC Rcd 6672 (2017) ("Notice").

#### I. INTRODUCTION

CTA's members are at the forefront of deploying current communications technologies and developing new ones, and thus are well suited to identify rules that are outdated, inhibit innovation, or create unreasonable burdens. The TAC also is asking how the regulatory process can be made more efficient and timely. This is an issue from the perspective of anyone who innovates, and for manufacturers and software developers in particular. Given the rapid and explosive growth of the Internet of Things ("IoT"), old timetables and burdens are inappropriate for today's devices and components. Both consumers and the U.S. economy benefit when innovative new products can reach the market more quickly and with fewer regulatory obstacles.<sup>3</sup>

CTA and its members also have substantial experience with the standards-setting process, working groups, and multi-stakeholder efforts, and the *Notice* recognizes that "[f]uture development of communication service rules need not be developed solely by the FCC." Rather, federal rules "can contain references to external documents," with external groups largely responsible for developing and maintaining rules. CTA has served as a convener and participant of such groups, and CTA's members have experience implementing plans to comply with such documents.

<sup>&</sup>lt;sup>3</sup> Gary Shapiro, President and CEO CTA, *Does the Government Hurt Innovation?*, Forbes (Feb. 6, 2013), <a href="http://www.forbes.com/sites/garyshapiro/2013/02/06/does-the-government-hurt-innovation">http://www.forbes.com/sites/garyshapiro/2013/02/06/does-the-government-hurt-innovation</a> ("Government has a role in innovation. Ensuring that old laws and regulatory regimes do not favor old competitors and old business models over new ones best fills that role. If America is to be the land of innovation then we must start doing away with outdated laws and ensure that new ones are necessary, specific and clear.").

<sup>&</sup>lt;sup>4</sup> *Notice*, 32 FCC Rcd at 6673.

<sup>&</sup>lt;sup>5</sup> *Id*.

Overall, the TAC and the Commission should focus on balancing the need for manufacturers to have flexibility to innovate and achieve speed to market against the potential for actual harm. The Commission can continue to protect consumers consistent with the purposes of the FCC's rules, while also ensuring that consumers have timely access to new technologies, particularly to "smart" connected technologies that comprise the IoT.

To this end, CTA fully supports the September 19, 2017 recommendations of the TAC Working Group on Removing Obsolete or Unnecessary Technical Rules ("Working Group"). 

The Working Group's mission is to reduce the "friction" of working with the FCC by reducing the regulatory burden and identifying defects in current processes. For example, the Working Group identified as one key theme from industry presentations the challenges that remain with certification requirements for devices. To alleviate these issues, the Working Group recommended removing certification barriers, such as reviewing and updating Rules 2.803 and 2.805 regarding the marketing and operation of devices lacking regulatory authorization, reviewing and updating the outdated Part 15.31(h) rules for composite systems, and completing open issues remaining in ET Docket 15-170.

Following up on the Working Group recommendations, as further discussed herein, CTA specifically recommends that the TAC advise the FCC to: (1) modernize rules regarding marketing and operation of RF devices prior to authorization; (2) reform the rules to reflect modern arrangements among companies in domestic and international manufacturing chains; (3) expand opportunities for self-certification, including for low-power devices; (4) streamline the treatment of confidential exhibits in the certification process; (5) further streamline *pro forma* 

<sup>&</sup>lt;sup>6</sup> See FCC Technological Advisory Council ("TAC"), Summary of Meeting at 62, Recommendations for Removing Obsolete or Unnecessary Technical Rules-Preliminary at Slides 17-25, <a href="https://transition.fcc.gov/bureaus/oet/tac/tacdocs/meeting91917/TAC%209-19-2017%20Meeting%20Summary.pdf">https://transition.fcc.gov/bureaus/oet/tac/tacdocs/meeting91917/TAC%209-19-2017%20Meeting%20Summary.pdf</a> ("TAC WG Recommendations").

license transfers; (6) modernize the Experimental Licensing System ("ELS") and make it more user-friendly; (7) increase the use of multi-stakeholder groups; and (8) reduce, where possible, rules requiring paper filings or records.

#### II. MODERNIZED PRE-AUTHORIZATION MARKETING AND OPERATING RULES WILL SUPPORT INNOVATION WITHOUT HURTING CONSUMERS

The FCC's role as the communications industry regulator with respect to equipment is to protect against harm from RF emissions and promote transparency in labeling.<sup>7</sup> The FCC need not act as a consumer protection agency; the Federal Trade Commission ("FTC") has Section 5 authority to address advertising, marketing, and promotions that are false or deceptive.<sup>8</sup> Accordingly, the Commission can substantially scale back rules regarding marketing of devices prior to authorization without increasing the likelihood of consumer harm or interference.<sup>9</sup>

Sections 2.803 and 2.805, which govern the marketing, sale, lease, and use of RF devices prior to equipment authorization, have their origins in the 1970s. 10 These provisions have become outdated as the process by which industry develops and markets new RF has devices

<sup>&</sup>lt;sup>7</sup> See 47 U.S.C. § 302a(a) (empowering the FCC to make "reasonable regulations" to prevent harmful interference and to establish minimum performance standards for home electronic equipment systems); Amendment of Parts 0, 1, 2, and 15 of the Commission's Rules regarding Authorization of Radiofrequency Equipment, First Report and Order, ET Docket No. 15-170, FCC 17-93 ¶ 2 (2017) (discussing that the FCC "generally implements [its § 302a] authority by establishing technical rules for RF devices") (Equipment Authorization First Report and Order"); Enhance Labeling, Accessing, and Branding of Electronic Licenses Act of 2014, Pub. L. No. 113-197, 128 Stat. 2055 (codified at 47 U.S.C. § 622).

<sup>&</sup>lt;sup>8</sup> See, e.g., Federal Trade Commission Act § 5, as amended, (codified at 15 U.S.C. § 45) (declaring unfair or deceptive acts unlawful and empowering the FTC to prevent such unfair or deceptive acts); see also id. §§ 12-15 (addressing false advertising); FTC Statement on Deception, 103 F.T.C. 174 (1984).

<sup>&</sup>lt;sup>9</sup> Notice, 32 FCC Rcd at 6673 (seeking comment on regulations that have become outdated or inhibit innovation).

<sup>&</sup>lt;sup>10</sup> 47 C.F.R. §§ 2.803, 2.805; Amendment of Part 2 of the Commission's Rules to Prescribe Regulations Governing the Sale or Import or Shipment for Sale, of Devices which Cause Harmful Interference to Radio Communications, Report and Order, 23 F.C.C.2d 79 (1970) (setting forth marketing rules for RF devices).

evolved. Today, the rules unnecessarily impede the ability of job-creating companies to innovate and to bring new products to market, threatening U.S. leadership in such critical areas as 5G and IoT. Revisions can streamline the current rules, provide greater marketing flexibility, and remove unnecessary burdens, while still advancing the core Commission objective of mitigating the potential for harmful interference from RF devices that have not completed the authorization process.

Specifically, the Commission should modify the rules to ban only the sales and delivery (not advertising, promotion, or pre-ordering) of unauthorized devices while continuing to allow sale and delivery under current exceptions. 11 As pre-launch orders and crowd-funding play a larger part in bringing innovations to market, companies need more flexibility to advertise and take orders prior to authorization without complicated disclosures, even if the devices are not available for delivery to end users. Further, there is no need for Commission rules to protect consumers from pre-ordering devices that ultimately cannot be made available because they fail the FCC equipment authorization process. Devices that are not yet in the hands of consumers pose no threat of interference or other RF-related consumer harm. 12 To the extent consumers are

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 2.803(a) (marketing includes "sale or lease, or offering for sale or lease, including advertising for sale or lease, or importation, shipment, or distribution for the purpose of selling or leasing or offering for sale or lease"); 47 C.F.R. § 2.803(b) (generally prohibiting the marketing of RF devices prior to certification); 47 C.F.R. § 2.803(c) (creating several exceptions to allow, among other things, advertisements with disclosures, conditional sales, and limited sales to determine customer acceptability).

<sup>&</sup>lt;sup>12</sup> Indeed, CTA observes that several international regimes, such as the European Union, Australia, and New Zealand, only regulate wireless devices when they are "placed on the market" and available for actual distribution or use, which is the point when they may cause actual interference or harm.

harmed if they remitted some consideration for pre-ordering a device that is never delivered, other agencies, such as the FTC, are better positioned to redress such harms.<sup>13</sup>

The Commission also should modernize labeling of devices prior to receipt of authorization, building on recently codified e-labeling practices. First, the Commission should make clear that e-labeling and small device labeling rules apply to unauthorized devices under Sections 2.803 and 2.805. <sup>14</sup> In addition, the Commission can streamline other labeling and notice rules to reduce the variety of disclosures that companies must affix or include with preauthorized devices. For example, a label or appropriate notice that says "Prototype. Not for Sale." indicates both that a device is not for sale and not final, accomplishing the same goals as the current 37-word notice for most pre-authorized devices and the notice for "prototypes." <sup>15</sup> Likewise, simplified notices are sufficient for devices operating pursuant to Section 2.805. <sup>16</sup>

Today, many RF products are developed with a large number of ecosystem partners and potential customers that must work cooperatively before devices can be brought to market. To facilitate this collaboration, there is greater demand for the operation of pre-authorization devices during the development cycle. Streamlining and clarifying Section 2.805 would also aid innovators as they demonstrate and test possible uses of their devices before completing the

<sup>&</sup>lt;sup>13</sup> See, e.g., FTC, Mail or Telephone Order Merchandise Rule, 16 C.F.R. part 435 (prohibiting sellers from soliciting mail, Internet, or telephone order sales unless they have a reasonable basis to expect that they can ship the ordered merchandise within the time stated on the solicitation or, if no time is stated, within 30 days).

 $<sup>^{14}</sup>$  See Equipment Authorization First Report and Order  $\P$  43.

<sup>&</sup>lt;sup>15</sup> If such a label/notice is adopted, Section 2.803(c)(iii)(B) should be changed so that "Prototype" refers to pre-authorized devices that are not going to be sold generally rather than a device that "is not authorized due to difference between the prototype and the authorized device." 47 C.F.R. § 2.803(c)(iii)(B).

<sup>&</sup>lt;sup>16</sup> 47 C.F.R. § 2.805(d)(2), (e)(2) (requiring notices and labels specified in § 2.803(c)(2)(iii) or 2.803(c)(2)(iv)(C) for particular operating and testing situations).

equipment authorization process.<sup>17</sup> The Commission should modify its rules to provide manufacturers and their customers greater flexibility to demonstrate and label products under development.

# III. MANY OF THE COMMISSION'S TECHNICAL RULES ARE OUTDATED AND DO NOT REFLECT MODERN ARRANGEMENTS AMONG COMPANIES IN DOMESTIC AND INTERNATIONAL MANUFACTURING CHAINS

When Commission adopted the technical rules governing device authorization, companies largely developed their own products internally in the U.S. Modern devices are the product of several component and software suppliers as well as global supply chains. Accordingly, the TAC should consider updates to Section 2.909, regarding a device's "Responsible Party," to recognize that RF devices may include components manufactured or assembled into end products by multiple parties and may be modified via software. 18 Further, companies with global supply chains hoping to create an "opening weekend" feel around a new certified device run headlong into Section 2.915, which ties the grant date for certification with the date of publication on the FCC website. 19 This creates logistical problems with importing devices that have been found compliant with FCC rules by a Telecommunications Certification Body ("TCB"), but that have not yet deemed to have certification due to the publication requirement. Currently such devices, which have passed tests for certification, are held at customs-bonded warehouses or in trade zones until the certification grant is available on the FCC's website. At a minimum, the Commission should address this problem by allowing companies to import its devices even if the grant is not public and hold them at general

<sup>17</sup> See, e.g., 47 C.F.R. § 2.805(d)(2), (e)(2) (repeating nearly identical language describing acceptable purposes for operating RF devices).

<sup>&</sup>lt;sup>18</sup> 47 C.F.R. § 2.909.

<sup>&</sup>lt;sup>19</sup> 47 C.F.R. § 2.915(d) ("Grants [of certification] will be from the date of publication on the Commission Web site and shall show any special condition(s) attaching to the grant.").

warehouses or other facilities. At the posting of a grant, these devices could then be delivered to consumers, rather than waiting for the devices to come in from the bonded warehouses and trade zones.

## IV. THE COMMISSION SHOULD FURTHER EXPAND OPPORTUNITIES FOR SELF-CERTIFICATION, PARTICULARLY FOR DEVICES WITH POWER LEVELS LOW ENOUGH TO AVOID HARM

While the Commission has made some updates to its certification program in recent years, further changes are needed to address new technologies. In particular, the Commission should consider allowing low-power, unlicensed wireless devices to be authorized through a Self-Declaration of Conformity ("SDoC").<sup>20</sup> These devices are already proliferating as everyday items become smarter with the addition of low-power transmitters and connection with the IoT. In many cases, these devices operate at a power level so low there is zero potential for harmful interference. Despite the absence of interference concerns, because these devices are RF radiators, they must undergo the lengthy Certification process.<sup>21</sup> Increasing self-certification opportunities can also conserve FCC and TCB resources at a time when massive device growth due to the IoT otherwise could create a backlog.<sup>22</sup> CTA supports the TAC Working Group recommendation to propose and establish rules to allow SDoC for certain low power devices.<sup>23</sup> The Commission can greatly benefit consumers and industry – particularly with respect to the IoT – by updating its program as soon as possible.

<sup>&</sup>lt;sup>20</sup> Equipment Authorization First Report and Order ¶ 4 (creating the Self-Declaration of Conformity equipment authorization process for RF devices equipment that have "a strong record of compliance and *for which there is minimal risk of harmful interference*") (emphasis added).

<sup>&</sup>lt;sup>21</sup> See 47 C.F.R. § 15.201 (equipment authorization requirement for intentional radiators).

<sup>&</sup>lt;sup>22</sup> See Ex Parte Notice from Jayne Stancavage, Intel Corp., to Marlene H. Dortch, Secretary, FCC, ET Docket No. 15-170, 2 (Mar. 6, 2017) ("As technology advances, the size and power levels of many connected devices are reducing, while the number of devices is multiplying.").

<sup>&</sup>lt;sup>23</sup> TAC WG Recommendations at Slide 25.

## V. THE TREATMENT OF CONFIDENTIAL EXHIBITS IN THE CERTIFICATION PROCESS IS RIPE FOR CHANGE

The Commission should automatically treat numerous exhibits in the certification process as confidential.<sup>24</sup> Component suppliers, operating system developers, and application or other software developers sometimes need to seek authorization very early in the development process. Exposing proprietary information could jeopardize investments; the ability to seek confidential treatment helps protect against this. Companies lose valuable time through requesting confidential treatment for the exact same materials in multiple applications.<sup>25</sup> Streamlining this process would eliminate the need for responsible parties to make the same asks for each and every application as well as avoid any inadvertent disclosures due to filing errors.

## VI. THERE IS ROOM TO FURTHER STREAMLINE *PRO FORMA* LICENSE TRANSFERS

Accountability and excessive paperwork need not go hand-in-hand. *Pro forma* assignments and transfers, by definition, should not interference with the Commission's ability to identify responsible parties. Twenty years ago, the Commission's move to a post-close notification process for *pro forma* transfers of telecommunications licenses reduced regulatory burden without compromising the Commission's ability to enforce its rules. <sup>26</sup> Non-

\_

<sup>&</sup>lt;sup>24</sup> See, e.g., Comments of CTA (then the Consumer Electronics Association), ET Docket No. 15-170, RM-11673, 15-16 (filed Oct. 9, 2015) (supporting grants of short-term and long-term confidentiality without being specifically requested by the applicant). The FCC proposed several reforms to the confidentiality process in its *Equipment Authorization NPRM*, and CTA urges the agency to act on the existing record to reform its confidentiality procedures. See Amendment of Parts 0, 1, 2, and 15 of the Commission's Rules regarding Authorization of Radiofrequency Equipment, 30 FCC Rcd 7725 ¶¶ 80-89 (2015).

<sup>&</sup>lt;sup>25</sup> FCC Office of Engineering and Technology, KBD Publication 726920 D01 Confidentiality Request Procedures v01r02, 1-2 (Apr. 8, 2016) (requiring applicants to submit separate letters requesting confidentiality with their applications specifying several pieces of information).

<sup>&</sup>lt;sup>26</sup> See Federal Communications Bar Association's Petition for Forbearance from Section 310(d) of the Communications Act Regarding Non-Substantial Assignments of Wireless Licenses and Transfers of Control Involving Telecommunications Carriers, Personal Communications

telecommunications licensees warrant similar relief to enjoy the benefits of streamlined procedures and to minimize the disparity of treatment among similarly-situated licensees. Specifically, the Commission should remove any remaining requirements for pre-approvals (including for business pool, private radio licenses, and experimental) and further streamline the process for filing post-closing updates for all licenses in transactions where the ultimate owner of licenses remains the same.<sup>27</sup> The Commission could adopt an annual update or other informational filing in place of the current license-by-license application or notification process for pro forma transactions.

#### MODERNIZING THE EXPERIMENTAL LICENSING SYSTEM WILL VII. IMPROVE THE EXPERIMENTAL LICENSING PROGRAM

CTA applauds the recent steps to bring the ELS online and establish program licenses, but ELS requires more changes to fully reflect the dynamism and experimentation the rules allow.<sup>28</sup> The Commission must update and modernize this database to be more user-friendly. As a system designed to approve new innovations, ELS should allow users to easily make edits to existing draft applications and purge draft applications. The Working Group has considered ways to make the site more user-friendly, including improvements in the ability to file confidential reports to keep research confidential.

Industry Association's Broadband Personal Communications Services Alliance's Petition For Forbearance, Memorandum Opinion and Order, 13 FCC Rcd 6293 (1998).

<sup>&</sup>lt;sup>27</sup> In a presentation to the TAC Working Group, CTIA also recommended further streamlining of pro forma license transfers and CTA readily agrees.

<sup>&</sup>lt;sup>28</sup> See Julius Knapp, Open for business: FCC's New Experimental Licensing System Accepting New Applications, FCC Blog (Apr. 14, 2017), https://www.fcc.gov/newsevents/blog/2017/04/14/open-business-fccs-new-experimental-licensing-system-accepting-new.

# VIII. THE TAC SHOULD UNDERSCORE TO THE COMMISSION THE VALUE OF MULTI-STAKEHOLDER GROUPS TO IMPROVE PROCESSES AND LEVERAGE INDUSTRY INPUT

Multi-stakeholder groups that reflect a broad cross-section of industry are well suited to identify and assess the risks of new or changed rule implementations, as well as to develop realistic implementation timelines for entities of various sizes.<sup>29</sup> Such groups have a long track record of crafting voluntary, consensus-based standards. As the Working Group noted, these groups should be fair and open to industry representation, with their activities available to all known and future parties and resulting standards available at reasonable terms and prices.<sup>30</sup> They should have clearly defined expectations and goals, and allow new entrants and developers of new technologies to participate in a meaningful way. The work to reform the certification rules with respect to low-power devices could function as a multi-stakeholder group charged with developing a detailed proposal on how to update the current process.<sup>31</sup>

Following guidance set forth by the Office of Management and Budget,<sup>32</sup> the Commission has incorporated many industry standards into its rules, including several standards developed at CTA.<sup>33</sup> Rules that incorporate industry standards by reference, although better than

https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A119/revised\_circular\_a-119\_as\_of\_1\_22.pdf.

<sup>&</sup>lt;sup>29</sup> *Notice*, 32 FCC Rcd at 6673-74 (seeking comment on how "the FCC [should] approach coordination between regulations and standards bodies or industry consortia," and how to leverage industry standards).

<sup>&</sup>lt;sup>30</sup> TAC WG Recommendations at Slide 18; *see also id.* at Slide 19 (observing that the Winforum, with FCC-driven collaboration, helped to resolve concerns regarding the interaction and coexistence of LAA and Wi-Fi).

<sup>&</sup>lt;sup>31</sup> See Section IV.

<sup>&</sup>lt;sup>32</sup> Office of Management and Budget, OMB Circular A-119: Federal Participation in the Development and Use of Voluntary Consensus Standards and in Conformity Assessment Activities (Jan 27, 2016),

<sup>&</sup>lt;sup>33</sup> See, e.g., 47 C.F.R. § 79.103 (incorporating the CEA-708 standard into the IP Closed Captioning rules).

agency top-down technology mandates, are subject to long rulemaking timelines and other Administrative Procedure Act-related requirements. Delays are especially long for updated standards because the FCC may only incorporate *finalized versions* of standards and amendments thereto into its rules. <sup>34</sup> For example, CTA joined with broadcasters and other stakeholders to request the Commission change its rules to allow broadcasters to transmit their signals using an updated consensus standard, ATSC 3.0. <sup>35</sup> After more than a year-and-a-half later, the Commission will likely take final action on the latest standard next month. <sup>36</sup> Similarly, the FCC acted on the five-year old petition to update a wireline hearing aid compatibility standard at the October 2017 Open Meeting. <sup>37</sup> Given these complexities, giving due consideration to the work of multi-stakeholder groups and industry standards when making policy, even if actual standards are not codified, can improve the FCC's technical rules and help the Commission keep up with technological developments.

<sup>&</sup>lt;sup>34</sup> 1 C.F.R. 51.1(f) ("Incorporation by reference of a publication is limited to the *edition* of the publication that is approved. *Future amendments or revisions of the publication are not included.*") (emphasis added).

<sup>&</sup>lt;sup>35</sup> Joint Petition for Rulemaking of America's Public Television Stations, the AWARN Alliance, the Consumer Technology Association, and the National Association of Broadcasters, GN Docket No. 16-142 (Apr. 13, 2016).

<sup>&</sup>lt;sup>36</sup> See FCC News Release, FCC Announces Tentative Agenda for November Open Meeting (Oct. 26, 2017) (listing a Report and Order and Further Notice of Proposed Rulemaking related to the "Next Generation" Broadcast Television Standard).

<sup>&</sup>lt;sup>37</sup> Access to Telecommunications Equipment and Services by Persons with Disabilities; Amendment of Commission's Rules Governing Hearing Aid-Compatible Mobile Handsets; Comment Sought on 2010 Review of Hearing Aid Compatibility Regulations, Report and Order and Order on Reconsideration, CG Docket No. 13-46, WT Docket Nos. 07-250 and 10-254, FCC 17-135 (Released Oct. 26, 2017).

# IX. EXAMINING THE COMMISSION'S REQUIREMENTS FOR PHYSICAL PAPER FILINGS, RECORDS RETENTION, AND NOTICES COULD REMOVE REGULATORY UNDERBRUSH

The TAC can aid the Commission by examining rules in Parts 0, 1, and 15 that require physical paper filings, paper record-retention, or lengthy user notices as well as identifying other Commission information that has become stale. Too many Commission filing and recordkeeping rules still require physical paper. For example, companies should be able to sign and retain all applications digitally. Rules 1.924(c) and (d) aim to minimize interference to FCC field office and Arecibo Observatory activity, respectively, but relevant information in the codified rules is stale. Specifically, Rule 1.924(c) directs the public to the FCC field offices listed in Rule 0.121, which does not reflect the current locations of the FCC field offices. And, Rule 1.924(d) provides an inoperative email address for the Arecibo Observatory. With respect to the lengthy disclosures on packaging, with the device, or in the user manual that accompany many Part 15 devices, simplified notices would better convey relevant information to users and be more cost-efficient for manufacturers.

-

<sup>&</sup>lt;sup>38</sup> See e.g., 47 C.F.R. § 1.10011(b) (requiring applicants for international and satellite services to "actually sign a paper copy of the application, and keep the signed original in [one's] files for future reference").

<sup>&</sup>lt;sup>39</sup> 47 C.F.R. § 1.924(c)(1).

 $<sup>^{40}</sup>$  47 C.F.R.  $\$  1.924(d) (requiring certain parties to notify the Arecibo Observatory by mailing the Observatory or emailing prcz@naic.edu).

<sup>&</sup>lt;sup>41</sup> See, e.g., 47 C.F.R. § 15.19(a)(3) (requiring most Part 15 devices to include a 42-word statement in a "conspicuous location on the device" discussing operational limitations); 47 C.F.R. § 15.105 (specifying lengthy "information to the user" notices that manufacturers must include in the text of user manuals of digital devices).

#### X. CONCLUSION

Modernized technical rules will continue to prevent harmful interference and sufficiently protect consumers while also enabling innovation that will help speed new connected services and products to market. CTA looks forward to working with the TAC and the FCC to retire obsolete technical rules and improve the efficiency of the FCC's equipment authorization processes.

Respectfully submitted,

CONSUMER TECHNOLOGY ASSOCIATION

By: <u>/s/ Julie M. Kearney</u>

Julie M. Kearney
Vice President, Regulatory Affairs
Brian Markwalter
Senior Vice President, Research and Standards
Rachel S. Nemeth
Director, Regulatory Affairs

Consumer Technology Association 1919 S. Eads Street Arlington, VA 22202 (703) 907-7644

October 30, 2017